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Democrat “Doc Fix” is Budgetary Malpractice *Shuster Opposed Speaker Pelosi’s Ill-Conceived and Expensive “Doc Fix;” Supported Responsible, Deficit Neutral Republican Alternative*

“It’s time for the Democrats in Congress to realize that when you find yourself in a hole it’s time to stop digging.”

-Congressman Bill Shuster

Washington, D.C. – Today, **Congressman Bill Shuster** voted against legislation that would add more than \$210 billion to the deficit in order to payoff special interests that pledged their support the Democrats’ healthcare overhaul. The payoff comes in the form of a “doc fix” to end dropping Medicare reimbursements to doctors – a problem too important to be treated in this irresponsible manner.

“Doctors who treat Medicare patients must be reimbursed properly to avoid a breakdown in care,” Shuster said. “However, it’s time for the Democrats in Congress to realize that when you find yourself in a hole, stop digging. Congress is digging America a budgetary hole and we can’t afford to be buried \$210 billion deeper.”

Medicare reimbursement to doctors is scheduled to fall by 21.5 percent in January and by another 2 percent every year after that under a complex formula known as the sustainable growth rate. Speaker Pelosi’s “Doc Fix” legislation would address the falling reimbursement rates paid to doctors for treating Medicare patients by eliminating the sustainable growth rate. The cost for this “doc fix” is \$210 billion, which will not be paid for by Congress and will add to our growing deficit. In addition, because the cost of the Democrats’ “doc fix” is not offset, that \$210 billion could spiral into a \$1.9 trillion increase in Medicare’s unfunded liabilities over a 75 year period.

“It would be dishonest and simply irresponsible for the government to pay doctors with borrowed money,” Shuster said. “The alternative Republican ‘doc fix’ I support and voted for today is the right way to uphold our commitment to doctors, the patients they treat and the American taxpayer by not adding one dime to the deficit.”

The Republican ‘doc fix’ Congressman Shuster voted for today in the form of a substitute to the Pelosi bill would:

- Provide physicians with a 2% Medicare payment rate increase in each of the next 4 years.
- This would erase the scheduled 21% cut in 2010 and the roughly 5% cuts in 2011, 2012, and 2013. The remaining savings (\$26.3 billion) generated by the reforms included in the GOP alternative will be used to address future cuts.
- At a cost of \$210 billion, the Democrats' bill would provide for a 0.8% payment rate increase in 2010, but physicians could see their rates cut as early as 2011.

In addition, the Republican "doc fix" would avert the scheduled Medicare physician cuts in a fiscally responsible way by including reforms that would fully offset the cost of the bill. These reforms would:

- Implement comprehensive, meaningful medical liability reform, ending junk lawsuits and costly defensive medicine by protecting doctors from overzealous trial lawyers who are looking to get rich quick;
- Use existing resources available to the HHS Secretary contained in the "Medicare Improvement Fund," which is designed to improve physician payments (savings of \$22.3 billion)
- Enact health insurance administrative simplification policies, eliminating inefficiencies that unnecessarily drive up health care costs, by creating greater standardization in health care forms and transactions (savings of \$19 billion).

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